



NEWSLETTER

NORTH CAROLINA DISTRICT OFFICE

March 2006

Reminder: Small Business Week

Small Business Week is April 9 – April 15, 2006. It is the time of year we honor small businesses that are the back bone of our economy. We hope you will join us in honoring the entrepreneurs in your community.

National Women's History Month

March is National Women's History Month. In 1987, the National Women's History Project petitioned Congress to expand the week long celebration to the entire month of March. The National Women's History Month Resolution has been approved and each year, programs, activities in schools, workplaces, and communities have become more extensive as ideas have been developed and shared. The goal was to ensure that information about the myriad ways women have changed America would be part of our children's education.

Women's history is our nation's story of how women built communities and inspired and nurtured dreams and how they will continue to do so.

North Carolina One Of The Top 10!

North Carolina is ranked number 10 in growth for women-owned firms with out employees.

The Center for Women's Business Research estimates that between 1997 and 2004, women-owned non-employer firms grew at 18%, twice the national rate of all non-employer firms. During the same time period, the revenues for women-owned firms without employees grew 66% compared to 42% for all firms without employees. The highest growth rate for women-owned non-employer firms is in non-traditional industries, defined as those industries that are historically dominated by men.

Sales grew by 86% in the fastest growing nontraditional industries for women-owned businesses without employees; construction, transportation, communications, and public utilities.

IRS Scam Warning

If an e-mail arrives in your in box from the Internal Revenue Service, don't feel guilty about deleting it.

A warning has been issued by the National Crime Prevention Council alerting consumers that scam artists are sending "phishing" e-mails with the IRS logo to try to get personal information and steal assets.

Once a victim sends personal information to a scam artist, it is used to commit financial crimes. Criminals can open lines of credit, apply for loans in the victim's name or file false tax returns.

According to the IRS Web site, several recent schemes have included e-mails from the fake addresses tax-refunds@irs.gov, admin@irs.gov and others telling consumers that they were eligible for a refund.

Recipients were asked to click on a link in the e-mail which sent the recipient to a Web site that was a clone of the actual IRS site. Consumers were then asked to give personal and financial information on the site, which would not be asked for by the IRS.

Officials have discovered 12 separate Web sites in 11 different countries that were hosting variations of the scheme, according to the IRS site.

Another recent scheme involved a fake letter and a form that requested account numbers, personal identification numbers, mother's maiden name and passport numbers for people who are not U.S. residents.

If a suspicious e-mail arrives, don't reply to ask to be taken off the sender's list.

For more information about the phishing e-mails and other identity theft scams, visit the crime prevention council's Web site at www.ncpc.org or the IRS site at www.irs.gov.

This IS a North Carolina issue. If you or a client receives one of these e-mails, please forward it to TIGTA at csirc@csirc.irs.gov.

Active Lender Rankings FY 2006 YTD: September 1, 2005 – February 28, 2006

	7(a)		504	504
Lender	Approvals	Gross 7(a) \$'s	Participation Loans	Participation \$'s
Bank of America	113	\$ 2,762,500		
Innovative Bank	76	\$ 745,000		
Capital One	53	\$ 1,935,000		
Business Loan Center LLC	43	\$ 1,199,000		
BB&T	28	\$ 4,411,300	6	\$ 2,562,750
Wachovia	22	\$ 10,383,100		
Surrey Bank	20	\$ 1,873,800	1	\$ 2,225,000
CIT	19	\$ 12,696,600		
Self Help Credit Union	14	\$ 717,300		
Banco Popular	10	\$ 6,976,700		
Community West Bank	10	\$ 2,850,700		

Certified Development Corps.		
BEFCO	11	\$ 2,833,000
Self-Help Ventures Fund	11	\$ 6,463,000
Centralina Dev.	7	\$ 4,530,000

Reminder: “Small Business Days” Schedule

The North Carolina District Office is offering “Small Business Days” at the following chambers. “Small Business Days” will offer chamber members and other small business owners the opportunity to discuss SBA loan programs with an SBA Marketing and Outreach Specialist. The Chamber will schedule the appointments for the business owners.

Location	Day	Hours	Phone Number
Cary	Third Wednesday	10 a.m.- 2 p.m.	919-467-1016
Charlotte	Fourth Tuesday	9 a.m. - 4 p.m.	704-344-6563
Gastonia	Second Tuesday	9 a.m. - 1 p.m.	704-864-2621
Greensboro	First Tuesday	10 a.m.- 2 p.m.	336-510-1234
Hendersonville	Third Friday	10 a.m.- 2 p.m.	828-692-1413
Hickory	Third Tuesday	10 a.m.- 2 p.m.	828-328-6000 x224
Mooreville	First Thursday	9 a.m. - 2 p.m.	704-664-3898
Salisbury	Fourth Wednesday	9:30 a.m. - 2 p.m.	704-633-4221

Questions For Your Banker

Lately, we've talked to potential business owners that were surprised to learn that banks charged fees on their business loans. Many were well into the loan process and realized they needed to pay these fees. Many of their bankers didn't tell them about SBA's guarantee fee either.

The folks at Diamond Financial put together this list of questions for business owners to ask their bankers. Originally designed for folks looking at franchises, this list is adaptable for most occasions.

Here are some questions for your clients to ask their bank:

1. Do you work with franchises and/or start-ups?
2. Has the bank ever worked with (Your Franchise)?
3. What is the average down-payment for start-up franchises or businesses? (Most lenders run 20%-30% depending on the overall strength of the borrowers)
4. Ask them about their collateral requirements. (They will tell you that they need it, but they must look at all of your information before giving percentages or any firm answers) **Make sure that they will stop at 1:1, collateral to loan amount**
5. What are their guidelines with regard to real estate and personal residences as it equates to collateral?
6. Ask them to give you estimates as to:
 - a) Terms (how long of a loan) **(Usually, SBA guaranteed loans can go up to 7 years for working capital. In some cases, working capital can be 10 years. The maximum on equipment and real estate is 25 years.)**
 - b) Rates (maximum allowable by the SBA is Prime + 2.75% for loans over \$50,000)
 - c) Variable or Fixed Rates? (majority are variable rates, may adjust quarterly, and have no cap)
 - d) Pre-Payment Penalties (should be no pre-payment penalties on SBA loans under 15 years)
 - e) Bank Fees: Processing, closing costs, also ask about the **SBA Guarantee Fee**
7. Are they an SBA Lender?

If your client asks them all these questions, the banker may look at him funny by the time he is done. They will know that he did some homework.

Provided by: Stephen Mariani, Diamond Financial Services, (919) 782-3101; www.easysba.com

E-Mail Mistakes To Avoid

In today's digital age, e-mail is a necessity for many businesses. A new survey suggests that people who are not familiar with e-mail etiquette risk alienating potential clients and customers and the result could be costly. E-mails that do not adhere to certain etiquette guidelines can diminish communication between the sender and receiver, cutting productivity and costing the small business money. By taking some time to learn a few e-mail etiquette tips, your clients may be doing their businesses a tremendous service.

Here are a few widely accepted breaches of e-mail etiquette:

1. Misusing the reply all function. Respondents said they have clients who regularly use the reply all function when they should be hitting the reply button. This forces everyone on the original e-mail list to open an e-mail that it doesn't pertain to them.
2. Attaching documents to e-mail. Be careful when sending attachments via e-mail because they can transmit computer viruses. Make sure clients and customers are comfortable with the idea first.

3. Writing is too long. The ideal length of an e-mail is one screen or less. Having to scroll down to read an entire message often distracts readers. While you don't want to leave out crucial information, there might be a better way to communicate.

4. Replacing face-to-face interaction. While e-mail can be convenient, there's no better way to strengthen relationships than by speaking face to face. With e-mail, people must guess the sender's tone, which could lead to miscommunication. Important messages, particularly those of a negative nature, should never be conveyed via e-mail. When sending an e-mail make sure you are sending messages in the most effective way.

While e-mail can foster communication and help a businesses run more smoothly, remember that it has the capability to be abused. By avoiding some common e-mail mistakes, you can get the most out of technology without losing business and clients in the process.

Community Express Workshops

If your clients need financing up to \$25,000, Innovative Bank will be conducting workshops throughout North Carolina in the coming months. The first series begins February 13th. The seminar schedules are posted on our calendar at www.sba.gov/nc. If you would like to host a workshop or need additional information, please contact Eileen Joyce, 704-344-6787.

Give Us Your Success Stories

We are looking for borrowers to participate in the SBA's SUCCESS STORY program. Do you know an SBA client that meets the criteria below? Would you like to showcase your organization on our website? The Success Story Database is a listing of small businesses that have received SBA assistance.

This list is used to provide information on these small firms to local and national media. These newspapers, radio and TV stations may use this information for profiles, special interest and other types of stories. The SBA also uses this list to highlight local firms while doing radio and TV interviews.

Success story firms should:

- Be in business for at least 3 years
- Show an increase in the number of employees or growth in revenues
- Provide examples of contributions to the community

Please call Mike Ernandes at 704-344-6588 or e-mail mike.ernandes@sba.gov with the name and contact information of any firms that you think might be interested in increased media opportunities.

Have You Viewed The SBA Training and Events Calendar?

Do your clients need to write a business plan? Learn how to advertise effectively? Need financing to start or expand their businesses? Our training calendar has workshops, classes, events and programs to meet your client's needs. New spring schedules will be starting. Have you surfed over lately?

Training Activities and Events

Let us help you promote your training activities and seminars. We can post them to our website calendar. Four weeks lead-time is required. E-mail updates to april.gonzalez@sba.gov or call (704) 344-6811.

Online Training

The North Carolina District Office offers SBA Programs and Services Training every Friday. From 9 to 10 a.m. and again at 12:30 to 1:30 p.m., an SBA District employee will provide live training through "Ready Talk" software. Your clients can call in and sign into the website for a live PowerPoint presentation.

SBA loan programs, counseling, and government contracting will be highlighted. This can be a useful tool for you to refer to your start-up clients. It can also be a refresher course for you and your fellow counselors.

Go to: www.sba.gov/nc/trainonline.html to register and for more information.

North Carolina Resource Guide

The new 2006 resource guide, co-sponsored by Reni Publishing and the SBA, will be available online for you and your client. Go to: www.reni.net/guides and click on North Carolina. The website will be available by the end of March. We have the new guides in limited supply.

Quote of the Month

"Never trust the advice of a man in difficulties."

- Aesop

Happy St. Patrick Day

